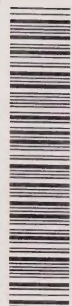


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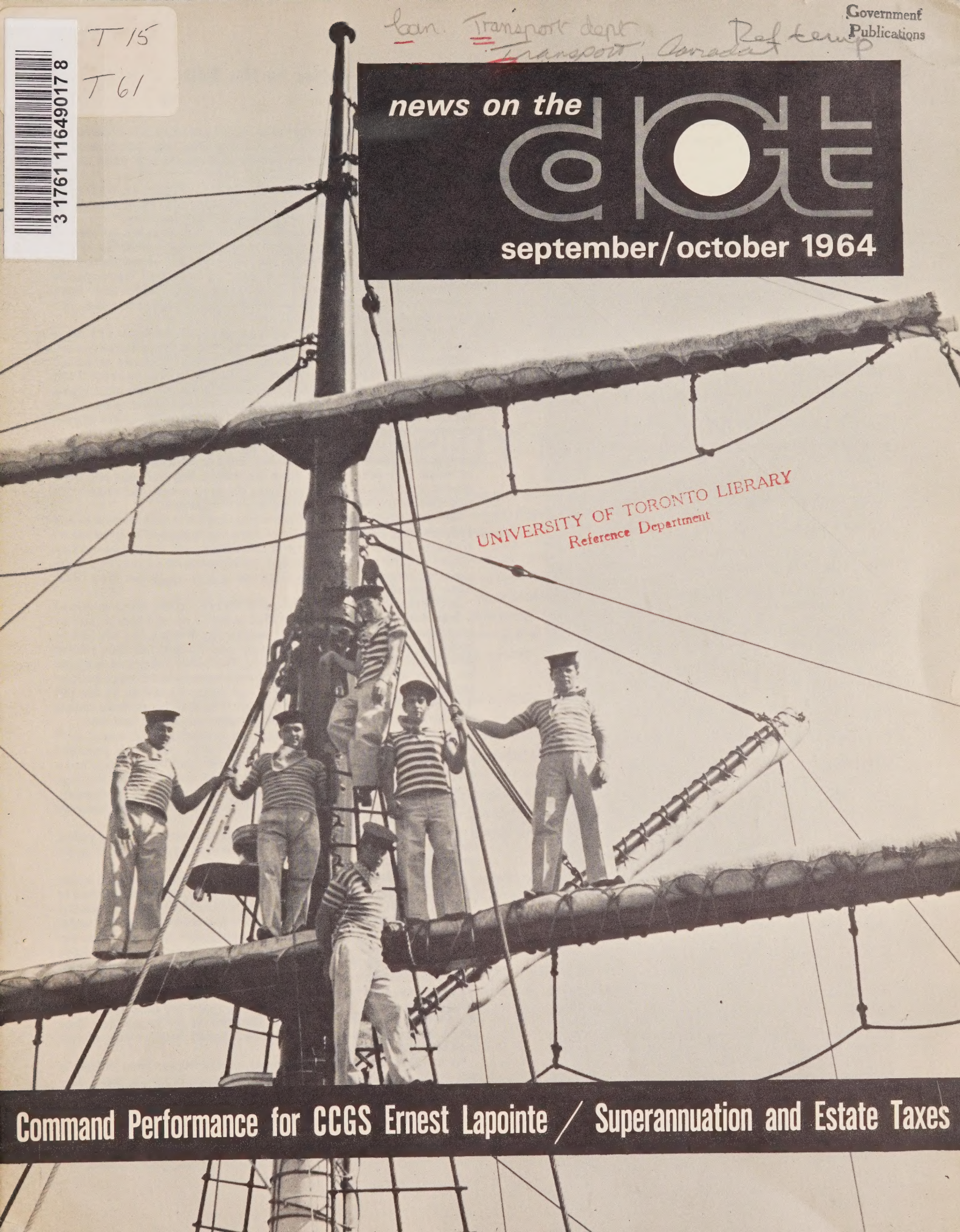
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news on the



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Command Performance for CCGS Ernest Lapointe / Superannuation and Estate Taxes



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COVER

Crew members of the S.S. QUEEN VICTORIA (actually crew of the CCGS ERNEST LAPOINTE) have a bird's eye view of Quebec harbor from the topsail yard. See "COMMAND PERFORMANCE FOR THE CCGS ERNEST LAPOINTE", Page 12.

EDITOR

Yvonne McWilliam

NEWS ON THE DOT is a Department of Transport staff magazine published under the authority of the Minister, Hon. J. W. Pickersgill, by the Information Services Division.

Letter to the Editor

DEAR MADAM:

"News on the D.O.T." is always interesting—and perhaps in a special way to retired D.O.T. personnel. Every once in a while some little item creeps in to stir up recollections of incidents long forgotten with which readers have at some time been associated.

One such item appears in the July-August issue, page 12, referring to Moscow hosts pointing out to the Canadian delegation the wheel-house and radio cabin of the former icebreaker C.G.S. "Earl Grey."

It might interest some of the delegates to know that in her day the Earl Grey was the pride of the department of Marine and Fisheries. With a yacht bow, gleaming white paint, teak and mahogany superstructure and glistening brass fittings she made a pretty picture. More important, she had a strongly reinforced bow and 6,000 horsepower engines to do battle with the heavy ice floes on the daily winter run between Pictou, N.S., and Charlottetown, P.E.I.

When war broke out in 1914 Germany sealed off the Baltic with mines in the Kattegat, trapping the only icebreaker Russia had in western waters. Murmansk was then little more than a name on the map so all aid for Russia had to go via Archangel, up the Dwina river from the White Sea. While the Earl Grey was sorely needed in Canada the more urgent need to get supplies to Russia prompted the Canadian Government to turn her over to the then Czarist government to keep open an ice free channel from the Dwina river deltas to Archangel.

On Sunday, October 4, 1914, the Earl Grey, her spotless white paint, mahogany superstructure and polished brass now buried under two coats of cruiser grey paint, hauled down the Marine flag and went into commission as H.M.C.S. Earl Grey, flying the naval ensign. Her entire crew was replaced by navy personnel—nearly all volunteers.

She left Halifax dockyard Wednesday, October 7, under sealed orders and only when 100 miles at sea was the true destination officially revealed: Archangel, Russia. The odd case of pith helmets and tropical wear which had accidentally busted open on deck while loading served only to confirm a planted rumor that the Earl Grey was to join the British Navy West Atlantic squadron at Bermuda.

In addition to full bunkers and coal in the cargo holds, the Grey carried a large deck-load of bagged coal since it would be necessary to sail far beyond the Arctic Circle, not only to clear the North Cape, but also to avoid the German warships Gneisenau and Scharnhorst then raiding allied shipping off the coast of Norway. This seemed alright at dockside but wallowing in heavy Atlantic seas forced seawater up through lavatory and other drainage outlets below deck and started the ship to fill. She put in to St. John's, Newfoundland, October 9, and all below-decks outlets were sealed up with cement. She sailed again at 11 a.m. the next day.

The voyage was a particularly rough one, especially in the iceland area. High seas, mixed sleet and rain, and northwest gale winds prevailed practically all the way. It was in this general area, too, that the Grey had a couple of close calls. But she was a sturdy ship and kept right on going. Some days later she raised the Lapland coast and at 4.50 p.m. Wednesday, October 21, dropped anchor in the lee of Sosnovetz Island at the entrance to the White Sea.

Continuing on through the White Sea next day, October 22, she picked up a pilot at the mouth of the Dwina River and finally anchored in the stream off Archangel at 6.35 p.m. that date.

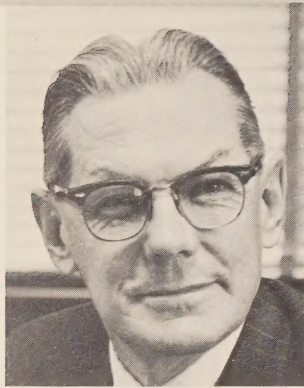
The Grey was officially delivered to Russian naval officers and a new crew on Thursday, October 30. The R.C.N.V.R. complement returned to Canada, but not before each had received a present of five pounds sterling from the Russian government and a gift box of five hundred Russian cigarettes from the new Russian crew. Shortly after the ship's name was changed to "Canada"—appearing, of course, in characters of the Russian alphabet. From the News On The DOT article it is clear this name was subsequently changed to "Litke".

By this time, early November, heavy ice, formed in the upper reaches of the Dwina in interior Russia, started coming down and choking the river. Were it not for the excellent service provided by the former Earl Grey practically no supplies could have reached Russia from western sources until break-up the next spring.

As the Earl Grey's wireless operator on that voyage from Halifax it was, in part, my duty to keep certain records, hence the specific detail. May I take this opportunity to express my appreciation of the many fine articles appearing in News On The DOT. We have only one fault to find: it should be a monthly publication.

Yours sincerely,

A. T. Lawton, St. Catharines, Ontario



FROM THE DEPUTY MINISTER'S DESK

This message is addressed primarily to those among you who are in the process of raising children or hope to raise children. It deals with knowledge of our official languages, English and French.

All too frequently senior officers of the department have seen weakness on the part of persons in the department in knowledge and control of language, particularly in the writing of reports and letters. The increasing complexity of modern life and education, and the many new media of communications that have emerged in the last generation have, I fear, lessened the importance placed on basic training in knowledge of our languages.

The ability to speak and to write well, clearly and in simple fashion; the elimination of unnecessary words and phrases; and the precise and correct use of words is of great importance in any field of human endeavour. In government administration it is especially significant. Indeed, because of difficulties encountered in this field we have recently obtained authority to provide some assistance to employees at headquarters by special courses, the objective of which is to improve competence in the writing of memoranda and letters; that is, better use of language.

I have been pleased with recent indications in a number of provinces that increased emphasis in the schools on knowledge of our languages is necessary. While all the standard subjects of education in primary and secondary schools are important, excellence in this respect is a prime consideration. Whether your language is French or whether it is English, or whether you have competence in both, you will be contributing to a better society and a better government if, as you raise your families, you establish this fact at an early age and repeat it constantly.

J. R. Baldwin



LE MOT DU SOUS-MINISTRE

Je voudrais m'adresser surtout à ceux d'entre vous qui élèvent ou espèrent élever des enfants et vous parler de la connaissance de nos deux langues officielles, le français et l'anglais.

Les hauts fonctionnaires du Ministère ont constaté, trop souvent, des faiblesses de la part du personnel dans la connaissance et la maîtrise de la langue, surtout quand il lui faut rédiger des rapports et des lettres. Il me semble qu'on attache moins d'importance qu'auparavant à l'enseignement fondamental des langues à cause de la complexité grandissante de la vie moderne et de l'enseignement et des nombreux modes de communication qui ont vu le jour au cours de la dernière génération.

L'habileté de parler et d'écrire correctement, clairement et simplement, l'élimination des mots et expressions inutiles, l'utilisation précise et correcte des mots sont d'une importance capitale dans toutes les sphères de l'activité humaine. Cette affirmation vaut tout particulièrement dans l'administration gouvernementale. Afin de remédier à la situation, nous avons été autorisés dernièrement à faire suivre aux employés du bureau central des cours spéciaux destinés à améliorer leur compétence dans la rédaction des mémoires et des lettres et à perfectionner leur style de façon générale.

J'ai eu le plaisir de constater récemment que les écoles d'un certain nombre de provinces semblent insister davantage sur la nécessité de la connaissance de nos langues. Sans amoindrir l'importance des matières courantes du cours primaire et du cours secondaire, il importe de tendre vers la perfection dans ce domaine. Que vous parliez le français ou l'anglais, ou les deux langues, vous contribuerez au perfectionnement de la société et du gouvernement si, revenant à la charge sans jamais vous lasser, vous inculquez ce principe à vos enfants dès leur bas âge.

J. R. Baldwin

news on the DOT is reprinting these two articles in the belief that they will be of general interest to all Transport employees. Two years ago when we published an article entitled "Love and the Treasury Board", we received many favorable comments and requests for more of the same.

The following documented articles concern two important aspects of —

Your Superannuation Plan

Superannuation and Estate Taxes

by D. F. Edwards*

One of the most important things to realize is that your superannuation is taxable for estate tax purposes, and that it can add up to a pretty large figure, depending on the age of your widow at your death. Although the widow's superannuation pension may be in small monthly amounts, it is the total value which is taxed. The total value is based on the total amount of pension she could be expected to receive in the period between her husband's death and the time she should die, based on a table prescribed by the Estate Tax Act Regulations.

The table on page 6 is a rough calculation of what an employee's estate might be. It assumes that he retired at age 65 after 35 years service and that his salary for his best 6 years averaged \$8,580. It also assumes that he died at age 66, and his only dependent was his wife, who was also 66 at the time of his death.

Note, however, that where the deceased was domiciled in Quebec, Ontario or British Columbia a credit up to 50 percent of the federal estate tax may be allowed for succession duties paid to any of the above provinces in certain cases. In this case the amount of federal tax payable in the example would be approximately \$1,300.

For purposes of simplicity, the example and the discussion which follows do not

*Reprinted from the Department of Forestry Personnel News, Volume 2, Number 3. Mr. Edwards is with Personnel, Department of Forestry.

EXAMPLE

Real Estate—House and Property	\$20,000
Stocks and Shares	1,400
Bonds—(Government of Canada of course!)	2,600
Cash on Hand—(Bank Accts. etc.)	1,500
Other Property—(i.e. car, furniture, clothes, other personal and household effects, at fair market value)	7,000
Life Insurance	
—Private—Straight Life	\$16,000
—Civil Service Mutual Benefit	900
—Supplementary Death Benefit	2,000
	<hr/>
	\$18,900
Superannuation	29,600
	<hr/>
Total Value of Estate	\$81,000
Deduct Funeral expenses, probate costs	1,000
	<hr/>
Aggregate Net Value	\$80,000
Basic Exemption	\$40,000
Widow's Exemption	20,000
	<hr/>
	60,000
Aggregate Taxable Value of Estate	20,000
	<hr/>
Amount of Tax	\$ 2,600
	<hr/>

take into account the succession duties levied by Ontario, Quebec and British Columbia.

The above example also assumes there were no children under 21 years of age. For younger persons this becomes more important, because after exemption for the widow there is also an exemption of \$10,000 for each child under 21.

A number of other things should also be noted in the above example:

1. If the residence was jointly owned, the total value is split in half for estate tax purposes, provided the joint tenancy was created more than 3 years prior to the date of your death.
2. Other property—bear in mind that this is not depreciated value, but fair market value, i.e. the price you might expect to get for it by sale.
3. The C.S. Mutual Benefit of \$900 assumes a basic policy of \$750 plus \$150 in accrued bonuses. This is available to government employees in Ottawa only.
4. The Supplementary Death Benefit has a maximum basic benefit of \$5,000. This reduces by units of 10 percent per year after age 60, (in this example, \$500 per year). As the man in our example died at age 66, the reduced amount remaining at that time would be \$2,000.
5. The superannuation annuity is calculated as follows: 2 percent (one-fiftieth) times the contributor's aver-

age salary for the 6 years in which his salary is highest, times his years of service up to a maximum of 35. In using this formula it is suggested that you use salary and years of service figures which represent your present situation. A calculation based on your anticipated salary on retirement and the maximum of 35 years of service will not be very meaningful if you die with only 10 years service and a salary figure 1/3 less. In our example, however, we have assumed 35 years service, in which case the calculation is as follows: $1/50 \times \$8,580 \times 35 = \$6,000$ per year approx. The widow's annuity is $\frac{1}{2}$ the husband's pension. She will receive her pension for as long as she lives or until she remarries.

6. The value for estate purposes of any annuity can be calculated from the present value table on page 4 of the Estate Tax Guide. In the example the value of the annuity would be: $\$3,000$ (the widow's annuity) \times $(9.41120 + .45833)$ (i.e. the factor for age 66) = \$29,600.

To further indicate the effect of the widow's age on the value of the annuity, if the widow was 56 rather than 66, the amount would be about \$39,000.

7. In the example the widow will get an estate tax bill of \$1,300 (after provincial credit) and she has 6 months from date of death in which to pay it. After that date interest is payable at

the rate of 5 percent per annum on any unpaid balance. If she had no cash reserves this amount would be formidable indeed, particularly if the estate consisted solely of property which for some reason could not be totally or partially turned into cash (and provided it exceeded \$60,000). However, this would be an extremely rare occurrence. In the example, in addition to any cash reserves which she might have of her own, and her superannuation pension of \$250 per month, the \$18,900 in insurance would be available to her very soon after her husband's death (provided she was the beneficiary). Also, assuming the will left everything to her, and assuming that she wished to keep the house and its contents plus the car, but sell the securities, she would receive approximately \$4,000 for the securities, which, with the release of the cash in the bank, would result in a total of \$5,500 in addition to the \$18,900 insurance money. If, on the other hand, there are absolutely no cash assets, or at least not enough, the widow may apply for payment out of the superannuation account of all or part of the estate tax which is attributable to the value of the widow's pension, as determined by the present value tables. In this event, the amount paid is considered as a loan, and the widow's pension is reduced until the amount is repaid.

8. There are several devices which can be used to bring an estate down to an amount equal to the exemptions, or at least closer to them. One such device is a "once in a lifetime gift" of a residence property up to maximum of \$10,000 under the Gift Tax Section of the Income Tax Act. Also, gifts up to \$4,000 to any one person in any one year plus gifts up to \$1,000 to any number of persons in any one year are not subject to gift tax. This means that you can give \$10,000 away in any one year by making \$1,000 gifts to 10 relatives or friends and not be subject to gift tax. It should be noted, however that gifts must be made more than three years before the date of death in order to avoid estate tax. If they are made within three years of the date of death they are added back to the estate. Also, if the donor retains any beneficial interest (such as interest on the capital) whatsoever in the gift made, it is subject to estate tax no matter when it is made. Another device is joint ownership. If the house was purchased jointly, the deceased's interest in the joint ownership only is taxed, on the basis of his beneficial interest in the property. In addition only one-half the securities,

cash in the bank and other property need be entered, provided it is possible to prove that the widow had used her own income in the purchase of these items, and that money did not come directly or indirectly from her husband.

The widow's annuity was valued at \$29,000. However, if she remarries she ceases to receive the annuity. Let's assume she waits only a year to do so. She would then have received only \$3,000. In this case, because the tax was based on \$29,000, she can request an adjustment provided the request is made within a year of her marriage. The value of her annuity is then calculated on a "term certain" basis which would work out to:

$$\$3,000 \times .96154 \times 1.018204 = \$2,937 \text{ approx.}$$

In this case, the total value of her former husband's estate would then be less than the total amount of the exemptions, and she would be entitled to a rebate of the entire estate tax of \$2,600 (or \$1,300 in Quebec, Ontario and British Columbia).

It should be noted, however, that this device applies only within four years of her husband's death. After that she is out of luck, and has to weigh the advantages of remarriage against loss of annuity!

Adjustment in the value of the annuity received on a "term certain" basis can also be made by the beneficiaries of her estate if the widow dies within four years of her husband. This could make a substantial difference. Let us assume the value of the widow's pension was taxed on the basis of a life expectancy of 15 years. If she dies within four years of her husband the value actually received would be much less and it can be adjusted to a term certain basis.

In addition, Quick Succession comes into play. In calculating the value of the widow's

estate, Quick Succession provides for a percentage deduction in the value of the widow's estate which can be directly traced to the husband's estate. This applies only if the widow dies within five years of her husband, and the percentage varies according to the year as follows:

- Within the 1st year—50%
- Within the 2nd year—40%
- Within the 3rd year—30%
- Within the 4th year—20%
- Within the 5th year—10%

It should also be noted that the husband's estate can be distributed twice—once to the widow, and again on her death, and because there are two separate successions, the estate will be taxed twice (\$1,750 (\$1,300 + 450)). A substantial saving in estate tax can be effected by distributing the estate through a trust, should it be considered that the widow could live on her annuity plus any interest from her husband's cash assets and securities. Instead of leaving his estate outright to his wife and she, in turn, leaving it outright to the children with estate tax payable under both wills, he can arrange the same distribution through his own will, in which case tax is paid only once. By putting his property in trust he can leave his wife the protection of an income for life (usually giving some powers of encroachment on capital for maintenance) and control the disposition of the remainder to the children, on her death.

If an employee dies before receiving a pension and leaves no dependents, the amount which he has paid is refunded (without interest) to his estate. Or, if he receives less in annuity, before he dies than what he has paid in, the balance is refunded to his estate.

Similarly, in a case where there is no surviving widow, but there are surviving dependants who are less than 18 years of

age, the dependants receive their normal superannuation allowance until they are 18, and then any balance left in the amount which the contributor has paid in, is refunded to his estate.

It is impossible in this article to provide complete information on this very complex subject. The most important thing to realize is that your wife's superannuation annuity forms part of the assets of your estate for estate tax purposes, and that its effect can be very substantial, but as outlined there are a number of ways of reducing this effect.

If you wish to pursue the subject further, it is suggested that you obtain some of the booklets which are available from various trust companies, and the Estate Tax Guide and the Estate Tax Return (Form ET60) from the nearest district office of the Department of National Revenue.

The Estate Tax Guide provides much the same type of information for completing the Estate Tax Return as does the Income Tax Guide for completing your annual income tax return. It also has tables which you can use to calculate the amount of tax on an estate and for calculating the value of your wife's annuity for tax purposes on a life expectancy basis as well as a "term certain" basis. See item 5 above to calculate the amount (as distinct from the value) of your annuity at any particular time.

These guides and booklets, however, as well as this article, can only cover the subject very superficially.

You should not make any firm conclusions or decisions based on this information without consulting your lawyer. He will be able to go into all the "ifs, ands, and buts" as they affect your particular estate. Further, this article is based on legislation as it now exists, which of course can change. Consequently a periodic review should be made of your estate position.

Proof of Age Required

Reprinted from the Public Works' "Dispatch"

Before you can draw a Superannuation annuity, you must establish positive proof of age. But, you say, I am still young and I may not stay in the public service long enough to draw an annuity or I may prefer to take a refund of my contributions if this is permitted.

True, but do not forget that in most cases if you are a contributor to the Superannuation Account you are also a contributor to the Death Benefit Account. While you may not expect to die in the near future a glance at any newspaper will show that accidental deaths occur at an alarming rate. It could happen to you! We hope it won't but we know you will want to take all possible precautions.

Like yourself, your wife (and children, if any), cannot draw an annuity until your age is established; neither can your wife draw her full entitlement under the Death Benefit Plan. If you do not leave a wife and children your estate will be faced with the same problem. Your age would have to be established before any monies

could be paid out on your behalf.

Your age, or rather the proof thereof, is important in other ways. For instance after age 60 your Death Benefit contributions are reduced and if you want to continue working after age 65, which is the normal retiring age, the department must submit a recommendation for your retention to the Department of Finance before you reach age 65.

Quite a number of employees have thought it necessary to conceal their true age. Don't do it! It could have dire consequences for you or for your family. Here are the facts of a case which occurred recently; only the name has been changed.

George Joseph Smith, gave his date of birth as 28 October, 1898, when he came to work for the government. In due course some documents purporting to prove this statement were submitted to the department. In December 1962 this employee died and at that time it was decided that additional proof of age was required.

The family was approached and they submitted documents which showed without any doubt that Mr. Smith had in fact been born on 28 October, 1893. He had been employed, therefore, without proper authority since 28 October 1958. Because of this, the period from 28 October, 1958, until death does not count for superannuation purposes and he was not legally a contributor to the Death Benefit Plan. As a result his widow is now receiving a greatly reduced annuity and she was not entitled to anything under the Death Benefit Plan.

EDITOR'S NOTE: A check with the Superannuation Branch of the Department of Finance shows that it is unlikely proper documentation—i.e. birth certificate—of proof of age would ever be questioned. In Mr. Smith's case the documents originally submitted may have been in the nature of a life insurance policy which, at such an early stage in the plan's development, was never seen by the Superannuation Branch until after his death.

Nous reproduisons ces deux articles vu que nous croyons qu'ils sont de nature à intéresser tous les fonctionnaires du ministère des Transports. Il y a deux ans, lorsque nous avons publié un article intitulé "L'amour et le Conseil du Trésor", plusieurs lecteurs nous ont exprimé leur satisfaction et nous ont demandé d'en publier d'autres du même genre.

Les articles bien documentés qui suivent traitent de deux aspects importants de—

Votre régime de pension

Impôts sur la pension et les biens transmis par décès

par D. F. Edwards*

Une des choses les plus importantes à se rappeler, c'est que la pension est imposable en tant que bien transmis par décès et que le montant de cette taxe peut être très élevé, selon l'âge de la veuve à la mort du fonctionnaire retraité. Même si la pension de la

veuve peut ne consister qu'en un petit montant mensuel, l'impôt est calculé sur la valeur globale. Cette dernière est le montant total que la veuve peut s'attendre de recevoir à partir du décès de son mari jusqu'à sa mort à elle, montant qui est calculé d'après une table figurant dans les Règlements de l'impôt sur les biens transmis par décès.

L'exemple donné dans le cadre à la page 6 est un calcul sommaire de ce que pourrait représenter la succession d'un fonctionnaire. On suppose dans cet exemple que le fonctionnaire a pris sa retraite à 65 ans, après 35 années de service, et que le traitement moyen de ses six meilleures années a été de \$8,580. On suppose aussi qu'il est mort à 66 ans et que sa seule personne à charge était son épouse, aussi âgée de 66 ans au moment du décès du fonctionnaire.

Il faut remarquer, cependant, que si la personne décédée demeurait dans le Québec, l'Ontario ou la Colombie-Britannique, un crédit atteignant 50 p. 100 du montant de l'impôt fédéral sur les biens transmis par décès peut être accordé à cause des droits successoraux payés à l'une ou l'autre des provinces mentionnées, dans certaines conditions. Dans ce cas, le montant de la taxe fédérale payable dans l'exemple donné à la page 6 s'élèverait à environ \$1,300.

Afin de simplifier les choses, l'exemple donné et les explications qui suivent ne

tiennent pas compte des droits successoraux imposés par l'Ontario, le Québec et la Colombie-Britannique. Les personnes intéressées à obtenir des renseignements sur les droits successoraux imposés par ces provinces devraient consulter leur avocat ou toute autre personne compétente.

On suppose aussi, dans l'exemple, qu'il n'y a pas d'enfant de moins de 21 ans. Cela peut prendre une plus grande importance en ce qui concerne les personnes jeunes, car, en plus de l'exemption de veuve, il existe aussi une exemption de \$10,000 pour chaque enfant de moins de 21 ans.

Il faut aussi tenir compte, en étudiant cet exemple, d'un certain nombre d'autres détails;

1. Si la demeure appartenait en commun au mari et à la femme, on rabaisse cette valeur de moitié aux fins de l'impôt sur les biens transmis par décès, à condition que cette propriété en commun ait plus de trois ans d'existence avant le décès du fonctionnaire.
2. Autres biens—se rappeler qu'il ne s'agit pas de la valeur après dépréciation, mais de la valeur marchande normale, c'est-à-dire le prix que l'on pourrait s'attendre d'en obtenir en les vendant.
3. Les bénéfices de \$900 de la Société mutuelle du service civil supposent une police de base de \$750 et une somme de \$150 en bonis accumulés. Seuls les fonctionnaires fédéraux postés à Ottawa peuvent avoir une telle police.
4. La prestation supplémentaire de décès comporte une allocation maximum de base de \$5,000. Ce montant diminue par tranches de 10 p. 100 chaque année après l'âge de 60 ans (\$500 par année dans le présent exemple). Comme l'homme de notre exemple est décédé à l'âge de 66 ans, le montant qui restait à ce moment était de \$2,000.
5. Le paiement de la rente est calculé comme suit:
2 p. 100 (un cinquantième) multiplié par le traitement moyen du contribuant pendant les six années pour lesquelles son traitement a été le plus élevé, multiplié par le nombre de ses années de service jusqu'au maximum de 35 ans. Lorsqu'on se sert de cette formule de calcul, on fera bien de se servir des chiffres qui correspondent à son salaire et à ses années de service à l'heure actuelle. Il ne serait pas très utile de baser les calculs sur le salaire que l'on s'attend d'avoir à sa retraite et sur le maximum de 35 années de service, si l'on devait mourir après seulement 10 ans et que son salaire soit inférieur d'un tiers à ce que l'on aura calculé. Nous avons cependant employé dans notre exemple un total de 35 années de service, ce qui donne les calculs suivants:

$$\frac{1}{50} \times \$8,580 \times 35 = \text{environ } \$6,000 \text{ par année}$$

*Reproduction de la publication du ministère des Forêts, intitulée «Nouvelles du personnel», volume 2, numéro 3. M. Edwards fait partie de la Division du personnel du ministère des Forêts.

EXEMPLE

Biens-fonds—maison et terrain.....	\$20,000
Valeurs mobilières.....	1,400
Obligations—(du gouvernement canadien, bien sûr).....	2,600
Argent comptant (comptes de banque, etc.).....	1,500
Autres biens—(automobile, meubles, vêtements, effets personnels et domestiques, à leur valeur marchande).....	7,000
Assurance-vie	
—Privée, vie seulement.....	\$16,000
—Société mutuelle du service civil.....	900
—prestation supplémentaire de décès.....	2,000
	18,900
Rente.....	29,600
	<hr/>
Valeur totale des biens.....	81,000
Déduction pour frais de funérailles, droits de succession.....	1,000
	<hr/>
Valeur globale nette.....	80,000
Exemption de base.....	\$40,000
Exemption de veuve.....	20,000
	<hr/>
	60,000
Valeur imposable globale de succession.....	20,000
	<hr/>
Montant de l'impôt.....	\$ 2,600

La pension de la veuve est la moitié de celle de son mari (soit \$3,000, dans l'exemple ci-dessus). Elle recevra sa pension aussi longtemps qu'elle vivra ou jusqu'à ce qu'elle se remarie (à 66 ans?).

6. On peut calculer la valeur de toute rente aux fins de l'impôt sur les biens transmis par décès en se servant de la Table de valeurs actuelles qu'on trouve à la page 4 du Guide fiscal (impôt sur les biens transmis par décès). Dans notre exemple, la valeur de la rente serait de:

$$\begin{aligned} & \$3,000 \text{ (la pension de la veuve)} \times \\ & (9.41120 + 0.45833) \text{ (c'est-à-dire} \\ & \text{le facteur pour l'âge de 66 ans)} = \\ & \text{environ } \$29,000. \end{aligned}$$

Si la veuve était âgée de 56 plutôt que de 66 ans, le montant serait d'environ \$39,000.

7. Dans notre exemple, la veuve devra en impôt sur les biens transmis par décès la somme de \$1,300 (après déduction du crédit provincial), qu'elle devra payer dans les 6 mois suivant la date du décès de son mari. Après cette période, elle devra payer un intérêt annuel de 5 p. 100 sur le solde non payé. Si elle n'a pas de réserves d'argent comptant, ce montant peut certainement sembler imposant, surtout si la succession ne comprend que des biens qui, pour quelque raison, ne peuvent être transformés en totalité ou en partie en argent comptant (pourvu que leur valeur s'élevait à plus de \$60,000).

Toutefois, cela ne peut se produire que très rarement. Dans notre exemple, en plus des réserves d'argent comptant qu'elle pourrait posséder en propre, et de sa pension de \$250 par mois, la veuve pourrait disposer, très tôt après la mort de son mari, des \$18,900 de l'assurance (pourvu qu'elle en soit bénéficiaire). Si l'on suppose que le testament lui laissait tout et qu'elle voulait conserver la maison et son contenu, de même que l'automobile, mais vendre les valeurs mobilières, elle obtiendrait environ \$4,000 pour ces valeurs mobilières, ce qui, ajouté à l'argent en banque, donnerait un total de \$5,500 auquel viendrait s'ajouter la somme de \$18,900 provenant de l'assurance. Si, d'autre part, il n'y a absolument pas d'argent comptant, ou du moins pas assez, la veuve peut demander le paiement à même le compte de la pension de la totalité ou d'une partie de l'impôt imputable sur la valeur de la pension de la veuve, selon les indications des tables de valeurs actuelles. Dans ce cas, le montant payé est considéré comme un prêt et la pension de la veuve est réduite jusqu'à ce que ce montant soit remboursé.

8. On peut se servir de plusieurs moyens pour réduire la valeur de la succession jusqu'à celle des exemptions, ou du moins pour l'en approcher. Un de ces moyens est la "donation une fois dans la vie" d'une résidence valant au plus \$10,000, en vertu de l'article de l'impôt sur les donations de la Loi de l'impôt sur le

revenu (article 112(4) (ba) (ii)). De plus, les donations de moins de \$4,000 faites à n'importe quelle personne en une année et les donations de moins de \$1,000 faites à n'importe quel nombre de personnes en une année ne sont pas soumises à l'impôt sur les donations (article 112(2) de la Loi de l'impôt sur le revenu). Ainsi, on peut donner un montant de \$10,000 en une seule année en faisant à 10 parents ou amis des donations de \$1,000 qui ne sont pas assujéties à l'impôt sur les donations. (Une personne dans cette situation peut se trouver toute une nouvelle parenté et sa compagnie peut devenir fort recherchée). Il faut cependant mentionner que ces donations doivent avoir été faites plus de trois ans avant la date de décès pour se soustraire à l'impôt sur les biens transmis par décès. Si elles ont été faites moins de trois ans avant la date du décès, elles s'ajoutent à la succession. En outre, si le donneur en a conservé les bénéfices (comme les intérêts d'un capital), de quelque nature qu'ils soient, la donation est soumise à l'impôt, peu importe la date où elle a été faite. La copropriété est un autre de ces moyens. Si la maison a été achetée conjointement, la part de la personne décédée est seule imposable, parce que cette personne retirait l'usufruit de la propriété. De plus, on doit inclure la moitié des valeurs, de l'argent à la banque et des autres biens, à condition qu'on puisse prouver que la veuve s'est servie de ses propres revenus pour acquérir ces biens et que l'argent ne provenait pas directement ou indirectement de son mari.

On a évalué à \$29,000 la rente de la veuve. Mais, si elle se remarie, elle cesse de recevoir cette pension. Supposons qu'elle n'attende qu'une année avant de le faire. Elle aurait alors reçu seulement \$3,000. Dans ce cas, étant donné que l'impôt avait été calculé sur une base de \$29,000, elle peut demander un rajustement, pourvu qu'elle fasse sa demande moins d'un an après son remariage. On calcule alors la valeur de sa rente en se fondant sur une «durée définie», ce qui, selon le Guide fiscal (impôt sur les biens transmis par décès), donnerait:

$$\$3,000 \times .96154 \times 1.018204 = \text{environ } \$2,937$$

Dans ce cas, la valeur totale de la succession de son défunt mari serait moindre que le montant total des exemptions et elle aurait droit à une remise de tout le montant de l'impôt sur les biens transmis par décès, soit de \$2,600 (ou de \$1,300 dans le Québec, l'Ontario et la Colombie-Britannique), qu'elle avait payé auparavant.

Il faut cependant remarquer que ce moyen ne peut être employé que moins de quatre ans après la mort du mari. Après ce laps de temps, la veuve n'a plus cette chance et elle doit peser les avantages d'un remariage et la perte de sa pension.

Un rajustement de la valeur d'une pension reçue pour une «durée définie» peut aussi être réclamé par les bénéficiaires de la succession, si la veuve meurt moins de quatre ans après son mari. La différence peut être considérable. Disons que la pension de la veuve a été taxée d'après une durée probable de vie de 15 ans. Si cette veuve meurt moins de quatre ans après son mari, elle n'a reçu en réalité qu'une somme beaucoup moindre et un rajustement peut être fait selon la durée définie.

De plus, la succession consécutive entre en jeu. Quand on calcule la valeur de la succession de la veuve, la succession consécutive permet d'en déduire un pourcentage qu'on peut faire remonter directement à la succession du mari. Cela n'est possible que si la veuve meurt moins de 5 ans après son mari, et le pourcentage varie alors selon le nombre d'années, comme suit :

Moins de 1 an	— 50%
Moins de 2 ans	— 40%
Moins de 3 ans	— 30%
Moins de 4 ans	— 20%
Moins de 5 ans	— 10%

Il ne faut pas oublier que la succession du mari peut être répartie deux fois, une première fois à la veuve, et de nouveau à la mort de celle-ci; parce qu'il y a deux successions distinctes, on imposera deux fois sur ces biens un impôt de \$1,750 (\$1,300 + \$450). Il est possible de réduire sensiblement le montant de l'impôt sur les biens transmis par décès en faisant administrer la succession par fidéicommiss, si l'on estime que la veuve pourra vivre de sa pension et des intérêts provenant de l'argent comptant

et des valeurs de son mari. Au lieu de l'héritage directement à sa femme pour qu'elle, à son tour, le laisse directement aux enfants, avec impôt payable en vertu des deux testaments, le mari peut s'arranger pour faire cette même répartition dans son propre testament, et l'impôt ne doit alors être payé qu'une fois. En faisant administrer ses biens par fidéicommiss, il peut laisser à son épouse la protection d'un revenu viager (en accordant généralement le pouvoir d'entamer le capital en vue de l'entretien) et léguer aux enfants comme il le veut ce qui restera à la mort de sa veuve.

Si un fonctionnaire meurt avant d'avoir droit à une pension et sans laisser de personnes à charge, le montant qu'il a payé sera remboursé (sans intérêt) à sa succession. Ou s'il a reçu en pension avant sa mort une somme moindre de celle qu'il a versée, on remboursera la différence à sa succession.

De même, si la veuve ne survit pas, mais qu'il y ait des personnes à charge de moins de 18 ans, celles-ci reçoivent leur pension normale jusqu'à l'âge de 18 ans, et ce qui reste alors du montant déboursé par le contribuant est remboursé à sa succession.

Il n'est pas possible dans le présent article de donner des renseignements complets sur ce sujet très complexe. Ce qui importe le plus, c'est qu'on se rende compte que la pension de l'épouse est considérée comme partie des biens de sa succession en ce qui concerne l'impôt sur les biens transmis par décès et que cet impôt peut être considérable, mais qu'il existe des moyens de le rendre moins lourd, comme on l'a vu plus haut.

Si l'on désire approfondir davantage ce sujet, on fera bien de se procurer quelques-unes des brochures fournies par différentes institutions de gestion, ainsi que le Guide fiscal (impôt sur les biens transmis par décès) et la déclaration d'impôt sur les biens transmis par décès (formule ET 60), au bureau régional le plus rapproché du ministère du Revenu national.

Le Guide fiscal (impôt sur les biens transmis par décès) donne le même genre de renseignements pour remplir la déclaration d'impôt sur les biens transmis par décès, que le Guide fiscal (impôt sur le revenu) donne pour remplir la déclaration d'impôt sur le revenu. Il contient aussi des tables dont on peut se servir pour calculer le montant de l'impôt sur une succession et la valeur de la pension de l'épouse aux fins d'impôt selon la durée probable de sa vie, de même que selon une «durée définie». Consulter le paragraphe 5 ci-dessus afin de calculer le montant (distinct de la valeur) de la pension en tout temps.

Évidemment, ces guides et ces brochures, comme le présent article, ne peuvent aborder le sujet que de façon très superficielle.

Il ne serait pas prudent de tirer des conclusions définitives ou de prendre des décisions en ne se fondant que sur les présents renseignements et sans consulter son avocat. C'est lui qui pourra tenir compte des «si», des «et» et des «mais», qui peuvent être importants en ce qui concerne la succession d'un fonctionnaire donné. En outre, le présent article est fondé sur les lois actuelles, qui peuvent évidemment changer. En conséquence, on fera bien d'effectuer une revue périodique de l'état de sa succession.

Il faut une preuve d'âge pour la pension de retraite

Extrait de "La Dépêche"

Contribuez-vous au Compte de pension de retraite? Si oui, lisez cet article car il renferme des renseignements précieux pour vous et les vôtres.

Avant de pouvoir toucher une rente viagère, vous devez fournir une preuve authentique de votre âge. Mais, direz-vous, je suis encore jeune, et il se peut que je ne sois pas fonctionnaire assez longtemps pour toucher une rente, ou peut-être désirerai-je le remboursement de mes contributions, si c'est permis. C'est vrai, mais n'oubliez pas que généralement vous contribuez en même temps au Compte de pension de retraite et au Compte de prestations de décès. Vous ne pensez peut-être pas mourir bientôt, mais lisez les journaux et vous verrez que les accidents tuent les gens comme des mouches. Vous n'êtes pas à l'abri de cela. Aussi désirerez-vous prendre toutes les précautions possibles. Vous devez établir votre âge d'avance car autrement vous ou les vôtres ne pourrez pas toucher de rente; il en va de même pour votre assurance-décès. Si vous n'avez ni femme ni enfants, votre succession ne pourra pas s'en

faire verser le produit si votre âge n'a pas été établi au préalable.

La preuve de votre âge est importante à d'autres points de vue. Par exemple, vos contributions d'assurance-décès sont plus modiques après l'âge de 60 ans et, si vous voulez continuer de travailler après l'âge normal de la retraite, soit 65 ans, une recommandation en ce sens doit être soumise d'avance au ministère des Finances. Plusieurs employés ont cru bon de ne pas déclarer leur âge véritable. Gardez-vous bien de les imiter car cela pourrait entraîner des conséquences désastreuses pour vous ou votre famille. Voici un cas récent; seul le nom est fictif.

Lorsque M. Jean Lebrun arriva au gouvernement, il déclara que sa date de naissance était le 28 octobre 1898. Par la suite, il soumit au Ministère certains documents à l'appui. Peu après son décès, en décembre 1962, on jugea nécessaire d'obtenir d'autres preuves d'âge. Les membres de sa famille produisirent alors des pièces justificatives établissant clairement que la date de naissance du défunt était bel et bien le 28 octobre 1893. Il aurait dû, par conséquent,

prendre sa retraite le 28 octobre 1958. Depuis ce jour jusqu'à sa mort, ses contributions au Compte de prestations de décès étaient donc illégales. Comme résultat, sa veuve touche maintenant une rente pitoyable et elle n'a pas eu de prestations de décès. Moralité: Ne faites pas un tel faux pas.

Note de la rédactrice—Une vérification auprès de la Direction des pensions de retraite du ministère des Finances indique qu'il est peu probable qu'un document approprié, par exemple un certificat de naissance, fourni à titre de preuve d'âge soit jamais contesté. Dans le cas de M. Lebrun, le document fourni en premier lieu était peut-être une police d'assurance-vie, document qui, à cette époque où le plan était à ses débuts, n'aurait probablement jamais été envoyé à la Direction des pensions de retraite avant le décès de l'intéressé.

Selon la méthode suivie à l'heure actuelle, un employé doit fournir une preuve de son âge cinq ans après qu'il est devenu contributeur au plan. Advenant qu'il existe quelque doute au sujet de la valeur de la preuve, elle sera mise en question immédiatement, de sorte qu'une situation malheureuse comme celle qui est exposée ci-dessus ne pourra jamais se produire.

CCGS KENOKI Christened at Prescott Ceremony

A new marine agency tender of unique design, capable of literally "standing on its own legs", was christened "*Kenoki*" in a ceremony at the Prescott Marine Agency on August 15. Sponsor of the ship was Mrs. J. S. Barrick, wife of the department's district marine agent for the Prescott Agency.

Master of ceremonies was John Munn, president and general manager of Ereiau Shipbuilding and Dry Dock Company, builders of the vessel, and Rev. Canon F. Payne, rector of St. John's Anglican Church, Prescott, delivered the invocation. Miss Deborah Kew, daughter of T. Kew, district engineer at Prescott Marine Agency, was also on the speakers' stand.

Attending the ceremony from marine services headquarters in Ottawa were Alan Cumyn, director of marine regulations; Alan Webster, chief, shipbuilding branch;

C.F. Collins, chief, power requirements, and W. F. Roos, supervisor of construction for the "*Kenoki*". Following the christening, Mr. Munn was host at a reception and buffet at Grenville Lodge at nearby Maitland.

CCGS "*Kenoki*" will operate on Lakes Erie and Ontario and in the Detroit and Upper St. Lawrence rivers. Because her work at times will be in shallow waters and strong current, such as in parts of the Detroit River where it will be difficult to maintain a fixed position by use of engines and anchors, the ship is equipped with "spuds" which can be lowered like giant legs to the bed of the channel. Thus she will provide a rigid working platform when operations require it.

The ship's name is Indian meaning "long-legged crane" and is an unusually apt one in view of the peculiar capabilities

of the "*Kenoki*". She was designed by Alex C. Campbell and Son of Montreal to the requirements of the department's shipbuilding and marine operations branches, and conforms to the requirements of the Canadian Board of Steamship Inspection and Lloyd's Classification Society.

Capt. John T. Bennett is master of the new vessel with John J. McOrmond as chief engineer.

PRINCIPAL PARTICULARS

Length over all	109 feet
Length between perpendiculars	100 feet
Breadth, moulded	36 feet
Depth, moulded	8 feet
	6 inches
Draft, aft (max.)	6 feet
Complement	9 persons
Speed (max.)	9 knots



LONG-LEGGED SHIP—The Canadian Coast Guard's newest ship, christened CCGS "*Kenoki*" at Prescott, Ont., on Saturday, August 15, can stand on her own feet when necessary. The unique vessel, seen here at the Prescott Marine Agency, is designed to serve as an agency tender and, when working at marine construction projects, can lower her "legs", or spuds as they are properly termed, to the bottom in order to remain stationary where the waters are shallow and the current swift.

Command Performance for the CCGS — Ernest Lapointe

by Yvonne McWilliam



Heavy mist clung to the scrolled stern of the S.S. Queen Victoria as she laid off Charlottetown harbor in the early morning of September 1, 1964.

It was as though the elements had conspired to hide the attempts of the Canadian Centennial Commission to re-create the birth of Confederation.

The weather was as unlike the bright, sunny morning of 100 years earlier as any day could be. But, while the pageant partners—D.O.T., the CBC and the Centennial Commission—could not control the weather, careful attention to detail made the voyage of the eight 1964 Fathers of Confederation to Charlottetown historically meaningful.

Like a giant centrepiece in the historical tableau, the Queen Victoria rode regally high in the harbor, suppressing for the moment her alter ego as the sturdy icebreaker CCGS Ernest Lapointe.

For the 1964 Queen Victoria was, in fact, the Canadian Coast Guard icebreaker. Outfitted with reefed sails, an elaborate bow sprit, and a crew of striped jersey tars, she was as close to the original vessel as she could be.

D.O.T. had been asked by the Canadian Centennial Commission to reconstruct on a temporary basis, a Coast Guard vessel to look like the Canadian Government ship Queen Victoria, which played a part in pre-Confederation conferences. The Commission would pay for alterations, while D.O.T.'s contribution would be the use of the vessel and crew.

Director of Shipbuilding, J. Rankine Strang, personally supervised the research into the particulars of the Queen Victoria. With facts gleaned from the ship registers of Quebec City which had her vital statistics, from the Public Archives and from

the Confederation Life collection of historical paintings, he put life and line into simple dimensions.

George Burgess, a shipbuilding branch technical officer, translated registers into rigging to make the icebreaker into an 1864 steamer and, at Lauzon, Quebec, the D.O.T. man on the spot was Leon Dion, ship construction supervisor, whose job it was to see the reconstruction through to the final spit and polish at George T. Davey and Son shipyards there.

It took just two weeks to change "Ernest Lapointe" into "Queen Victoria"—a metamorphosis of both sex and time.

Public Archives records gathered by Mr. Strang showed the Queen Victoria was built in 1856 at Gowan of Lanark, Scotland. She was 173 feet long, 30 feet wide, and 16 feet deep. (The Lapointe is slightly larger; 184 feet long, 36 feet wide and 17 feet deep). Two masted and schooner rigged, she was built for Mr. Francis Baby of Quebec City, where eventually she was registered. The government of the Province of Canada held mortgages on the Victoria and a sister ship the Napoleon III, also owned by Mr. Baby. In 1859 they were foreclosed.

When the eight Fathers of Confederation from the Canada's were looking for transportation to Charlottetown in 1864, the Queen Victoria being a government vessel was selected for the voyage. And that trip was undoubtedly the high point of her career. Two years later she foundered off Cape Hatteras on a passage from Havana, Cuba.

With all these data, Mr. Strang asked Montreal naval architects Gilmore, German and Milne to prepare a full color painting to guide the shipyard. The result was the impressive ship which proudly

carried the eight CBC actors to Prince Edward Island (arriving an unhistorical 12 hours ahead of the 1864 time, the vessel anchored a few miles off Charlottetown harbor to let history catch up.)

Canadian Press staff writer James Nelson, who accompanied the actors and crew from Quebec City, reported that most elements in the 1864 trip were repeated—good food and hard work, as the actors worked on their lines much as the Fathers had prepared their speeches. Missing, however, was the bountiful supply of wines and liquors on board the original Queen Victoria, due perhaps as much to 1964 budgets and accounting as to the absence of as auspicious a tippler as John A. Macdonald.

When the 1964 Fathers left Quebec on August 29, the rainy weather forced a curtailment of fanfare. The dockside speeches had to be delivered in the confines of the Captain's cabin, but despite the downpour a good crowd stood by to bid Godspeed to Charlottetown.

Like the ship she was pretending to be, the Ernest Lapointe went on from the P.E.I. capital to Halifax and Saint John, N.B. As well she paid an unhistoric visit to St. John's, Nfld., before sailing back to Quebec City late in September to shed her costume and prepare for the long winter of icebreaking ahead. But those three weeks of playing a major role in the re-enactment of the 1864 Charlottetown Conference, will long live in the memories of the crew and the log of the CCGS Ernest Lapointe. Though she has been stripped of her gilt and elaborate rigging, and is once more in fighting trim to combat ice in the St. Lawrence River and Gulf, she is somehow a little taller, a little prouder.



TOP LEFT: Delegates from Canada East and Canada West arrive on "Queen Victoria" September 1, 1864 for meeting with Nova Scotia, New Brunswick and Prince Edward Island representatives at Charlottetown. Painted by Rex Woods for Confederation Life Collection and reprinted with permission.

TOP CENTRE: Complete with bow sprit and rigging, the CCGS Ernest Lapointe becomes the 100-year-old SS Queen Victoria.

TOP RIGHT: Captain Robert Marchand, master of the CCGS Ernest Lapointe, became Captain Pouliot of the Queen Victoria for the re-enactment of the historic voyage to Charlottetown. He and other crew members donned 100-year-old costumes to make the 1964 trip as authentic as possible.

CENTRE: Officers and steward of the Lapointe enjoyed their brief trip back in time when, for three weeks, they lived and acted (to all intents and purposes) as officers and steward of the Queen Victoria.

BOTTOM: A jersey-striped tar (actually a Canadian Coast Guard deck hand) lets go the stern rope prior to the August 29 departure for Charlottetown.



A Martin flying boat dumps 6,000 gallons in a water bombing demonstration at opening of Victoria, B.C. terminal August 14. Typical Victoria street lamps with flower baskets were loaned from city.

Two New Terminals Decorate B.C. Landscape

by John de Bondt

Victoria weatherman Bill Mackie forecast the finest weather for the August 14 opening of the new air terminal at B.C.'s capital. It was a good thing he was right, because he himself was the master of ceremonies.

Mr. Pickersgill said grain elevators and air terminals were the only distinctive examples of truly Canadian architecture, apart from residential designs, and revealed that the theme of the opening was, "Fly with the birds to Victoria"—a paraphrase of the local tourist slogan "Follow the birds to Victoria".

Lieutenant-Governor Maj. Gen. George Pearkes, who pushed the button that raised the barriers that unfurled the banner that carried the slogan, said he hoped the Minister would tell people in other parts of Canada to follow the birds to Victoria.

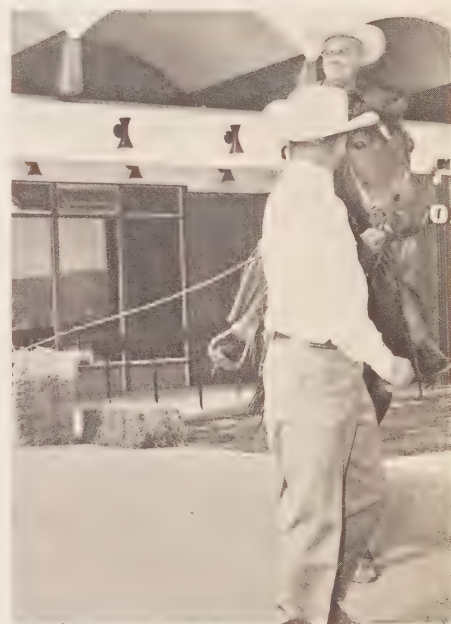
The level-crossing-type gates and the banner had caused near-ulcers that afternoon. During rehearsal the button produced a plaintive buzz but the gates didn't open. After some adjustments, they did go up, but then the banner wouldn't unfurl. That was fixed, too, but just to make sure there wouldn't be any snags that night, a string was fastened to the catch that held

the barriers down. At the ceremony Mike Eldridge, a telecom man, swallowed his professional pride and sat out of sight behind the platform, ready to pull the string should the electronic link fail. But all went well and modern science triumphed.

However, it was a water bomber that stole the show. A water bomber is a plane that dumps water on forest fires. The one used in the Victoria demonstration, owned by Flying Tankers Ltd., was a gigantic Martin flying boat once used to transport more than 300 troops at a time.

It dumped 6,000 gallons of water in a few seconds and did so at exactly the right moment in exactly the right spot, somewhere over a row of trees nearby. Everyone was thrilled by the spectacle, particularly Airport Manager Jack Knowland, who was the only one who knew that earlier the plane had lost radio contact with the tower and was all set to dump its liquid load while Mr. Pickersgill was still speaking. Fortunately, radio contact was restored just in time.

Jack Knowland and his efficient secretary, Mrs. Williams, deserve a lot of credit for a multitude of details, as do all the



Mounting horse on spur of moment (no pun intended) Minister pulls away hitching post barring entrance to Kamloops air terminal at official opening August 15.

others who worked so hard to make the ceremony a success. Regional Telecommunications Controller Bob Cole, the man in charge of the whole show, can look back with pride on one of the smoothest and most polished terminal openings ever staged.

Just as successful, but of an entirely different temperament, was next day's rollicking opening ceremony at Kamloops, B.C. Put on by RSAR Bill Lavery and chaired by RCCA Bill Irvine, the event saw a ranch-style terminal opened in typical Western fashion.

Almost everyone wore a ten-gallon hat ("Eight-gallon hat, Imperial measure," says RDAS Dr. Tom How), thanks in part to Pacific Western Airlines' Bill Harris and Sandy Welbourn, who seemed to have an inexhaustible supply of free Stetsons in the cargo hold of their DC-3.

Even the Minister went cowboy when he mounted a horse and pulled away the hitching post that barred the entrance to the terminal building to officially declare it open.

The opening was followed by a lavish smorgasbord sponsored jointly by the City of Kamloops and the Town of North-Kamloops. MC-ed with gusto by tourist chief Sandy Sanderford, the gastronomic spectacular was completely informal, with present and former cabinet ministers mingling mighty-neighborly with cow pokes and pen pushers.

There was a time when airports were



Sleek JetStar forms unusual contrast with mounted guard of honor during Western-style terminal opening at Kamloops.

formally opened by someone cutting a ribbon. But ever since Mr. McIlraith broke that custom by cutting through a log with a power saw at the Port Hardy, B.C. terminal opening last year, inaugural themes have become more and more imaginative all over the country.

At Pitt Meadows, B.C. the shot from a Very pistol signified the opening of a new satellite airport and at Winnipeg the unveiling of a miniature Fort Garry Gate was

the *pièce de résistance*. At the opening of the Edmonton terminal, a model of the new building symbolized the official opening, while at Toronto a bevy of live models decorated the stage.

If opening the Kamloops terminal on horseback seems far out, the Lakehead terminal later this year promises to take the Rube-Goldbergian cake with . . . but that is another story. Watch for it in News on the DOT!

J.R.H. Noble Appointed Director of Meteorological Branch

The appointment of John Reginald H. Noble, 52, as director of the meteorological branch was announced in August. Earlier Dr. T. G. How, regional director of air services at Vancouver, had been named to this position but for health reasons he declined the appointment.

Mr. Noble has been deputy director of the meteorological branch since 1959, when this responsibility was added to his position of chief of administration. He has played a major role in the planning and coordination of the over-all meteorological program.

Mr. Noble's service with the meteorological branch dates from 1937 when he was duty meteorologist at Botwood, Nfld. From 1938 to 1940 he helped establish and direct the operations of the forecast offices at St. Hubert, Quebec, and Halifax, N.S. He moved to Ottawa in 1940 as meteorological advisor to the chief of the air staff and staff officer (meteorology) RCAF. During this period he also represented the branch director in matters pertaining to the requirements of the Canadian Army and Navy. In 1946 he was appointed chief of administration.

Mr. Noble graduated from the University of Toronto with an honours B.A. degree in 1934 and received his master's degree from the same university the following year. He is married and has two sons.

Shortly after Mr. Noble's appointment was announced the Toronto Telegram ran the following editorial:

HAIL, WEATHERMAN

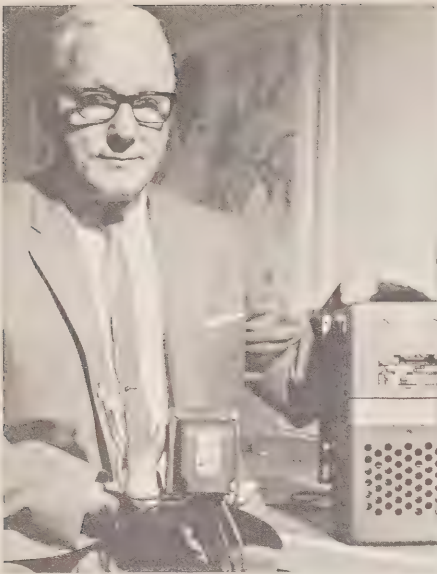
"The thunderous sound in the air is the applause of welcome for John R. H. Noble as he steps on Canada's stage as the country's director of the Department of Transport's meteorology branch.

The new weatherman inherits far-flung weather stations, far-ranging electronic and far-reaching radar devices to assist him in forecasting the weather. We do not desire to shake his confidence in these magical things, but it has happened that information derived from them has sometimes been somewhat off the beam. People, relying on the prediction of a fair day have had to swim home, and forecasts of a deluge have been followed by a scorching sun.



Mr. Noble it is to be hoped, enjoys the best of health, but a touch of rheumatism at the right time in the right place is not to be spurned as an aid to confirm whatever fallible instruments foretell.

At any rate, we wish him luck."



The story of one suggestion began like this: These two pieces of equipment, held by Prescott District Marine Agent J. S. Barrick, were part of some 40 beacons and range lights used as aids to navigation.



became this: A compact transformer (primary 95-130, secondary 6.3 volts) now being used to replace the two bulkier pieces of equipment shown in photo at left is held by suggestor W. J. Dowsley.



with this result: Presentation of a \$185 cheque and certificate to Mr. Dowsley by Mr. Barrick. It is estimated that the suggestion will save the department more than \$2,000 a year.

SUGGESTIONS CAN PROVE PROFITABLE

Not all suggestions prove as profitable as Mr. Dowsley's, but any good idea is welcome by the secretary of the suggestion award plan, Ted Howe. In fact, Mr. Howe has a few points to pass along to potential suggestion award winners. He recommends that a prospective award winner ask himself these questions:

- (1) What phases of my idea will interest management the most? Is it carefully aimed toward the primary interests of management?
- (2) How much uncertainty exists in the proposal? Have I spelled out the elements of uncertainty in the idea, without skipping over them?
- (3) Have I made a reasonable effort to determine the cost of implementing my idea? Cost is always a prime consideration. It shouldn't be guessed at.
- (4) If my proposal affects other branches, have I consulted them? Failure to follow this suggestion may subject my idea to unexpected opposition, to misunderstanding.
- (5) Have I made it as easy as possible for the investigators to follow my proposal?
- (6) Are the facts and figures and other data complete? Lack of information

always renders an idea vulnerable under close scrutiny.

- (7) Can I dramatize my idea? Sometimes a neat sketch does more for a proposal than a lot of words.
- (8) Have I discussed the idea with my supervisor? He has as much interest as anybody else in increased production and efficiency.

In a recent interview Ted Howe also clarified which categories of suggestions are not eligible for consideration. They include suggestions that refer to government policy or enter into the area of international regulations, agreements or the like; suggestions regarding the acquisition of supplies or items that are available upon requisition; suggestions concerning the use of specific trade name products; suggestions that outline a general problem but offer no realistic solution or where considerable research and development would be needed to validate the suggestion; and finally, suggestions that deal with routine building maintenance, especially when administrative channels are available for corrective action.

No award will be given for a suggestion arising directly from the day to day duties for which an employee is paid and which constitute an essential element in the satisfactory performance of the job, nor will

one be given for a suggestion arising from an assignment, or for a suggestion which can be implemented by the suggestor without the prior detailed analysis, consideration and subsequent approval of his senior.

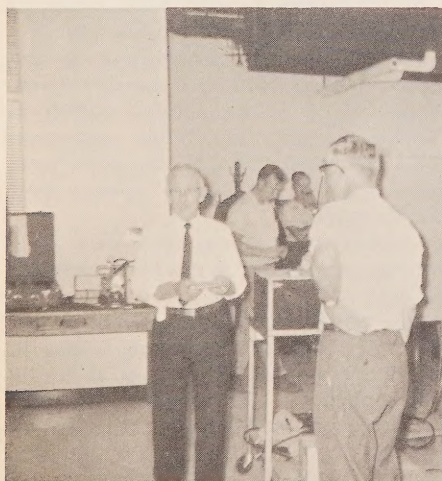
The question of eligibility of a suggestor is another matter. For purposes of the Suggestion Award Plan, all employees of the public service are eligible with the exception of persons paid to make suggestions—which would exclude research personnel, project engineers, project officers, organization and methods personnel, certain classes of supervisors and others. These people, however, are eligible to make suggestions concerning matters not related to their jobs.

To sum up, a good suggestion points out a real problem, shows why it must be overcome and describes in detail how to overcome it.

Well thought out suggestions, even those that result in less than \$100 saved, are important. As Ted Howe says, "Any time you can buy a dollar for 10 cents it is good business". Often people are inclined to belittle an idea by saying, "What's a \$100 saved in relation to the millions spent yearly by a large government department". Multiply several hundred-dollar-ideas, though, and the savings in time or money is significant.

Latest Suggestion Award Winners Include:

NAME	POSITION	LOCATION	AMOUNT
J. M. Allen	Meteorological Technician	Vancouver, B.C.	\$10
Warren Betsworth	Radio Operator	Sandspit, B.C.	\$10
Ian Crockatt	Meteorological Technician	Met. Headquarters	\$10
C. H. Fisher	Engineering Clerk	Vancouver	\$10
Richard W. Gaetz	Radio Operator	Victoria Marine Radio	\$10
C. B. Gray	DESA	Vancouver Air Services	\$10
Douglas L. Greene	Radio Operator	Comox, B.C.	\$10
Michael Gushulak	Ass't Lightkeeper	Burlington, Ont.	\$10
W. K. Hamilton	Air Traffic Controller	Victoria, B.C.	\$30
Donald B. Hirst	Radio Operator	Prince Rupert, B.C.	\$10
Mrs. Shirley Huffman	Stenographer	Winnipeg Air Services	\$10
James J. Jarvie	Radio Operator	Sterling, Ont.	\$10
Mrs. Eleanor Kirkham	Stenographer	Marine Regulations, Ottawa	\$10
W. H. McConnell	Air Traffic Controller	Winnipeg	\$10
Allan F. McQuarrie	Meteorological Officer	Calgary, Alta.	\$10
E. J. Mowbray	Air Traffic Controller	Winnipeg	\$10
W. M. Park	Radio Technician	Windsor Aeradio Station	\$10
J. T. Peddie	Radio Technician	Lethbridge, Alta.	\$20
C. H. Pittman	Equipment Operator	Gander, Nfld.	\$20
W. Power	Meteorological Technician	Big Trout Lake, Ont.	\$10
A. A. Ritthaler	Radio Operator	Prince Rupert, B.C.	\$10
Peter Skrepnechuk	Radio Operator	Comox, B.C.	\$10
Miss Winnifred E. Smirle	Secretary	Telecom. Ottawa	\$10
Anthony W. Smith	Meteorological Technician	Meteorological Headquarters	\$10
J. D. H. Soucy	Meteorological Technician	Quebec Airport	\$10
B. R. Tieghan	Radio Technician	Toronto	\$10
J. E. Wilton	Electrician	Vancouver	\$20



"Joe" Arial Chalks Up 46 Years Of Service

July 15 marked the last day of 46 years of government service for J. H. T. Arial. More than 100 friends and co-workers gathered in the Telecommunication and Electronics Systems laboratory to honor him. As supervisor of the laboratory Mr. Arial was well-known throughout the telecomm branch.

J. R. MacKay (back to camera), chief of T. & E. design and construction, recounted details of Joe Arial's lengthy D.O.T. career when he presented him with a drill press and a well-filled wallet at the time of his retirement.

It was 1918 when Joe Arial joined the government as a wireless operator at the old wireless school in Ottawa. Subsequently he was promoted from junior radio electrician to senior electrician to radio technician and finally, to supervisor of the test room (as the T. & E. Laboratory was originally known.)

Days of retirement will be filled with activity for Mr. Arial it seems. Keenly interested in community affairs, particularly social welfare, he has plans to take part in the affairs of several organizations.

DATELINE—ACROSS CANADA

Prince Rupert, B.C.—E. O. Ormsby, district marine agent here, recently unearthed an historical sketch of the first vessel used on the West Coast for servicing aids to navigation.

Built in 1891 at Paisley, Scotland, the lighthouse tender *Quadra* arrived at Victoria in January, 1892. Principal particulars of the vessel were Net Tonnage: 265. Gross Tonnage: 573. Length 174.5 feet. Beam: 31 feet. H.P. 120 and Speed: 11 knots. In addition to servicing aids to navigation, the *Quadra* acted as Fisheries Patrol Vessel, and mobile law court at inaccessible places along the coast. At such times the ship's master acted as magistrate and usually had a Provincial Police constable aboard as assistant.

During her days of service the *Quadra* carried several distinguished persons. In 1900 Governor General Earl Minto and party journeyed from Victoria to Skagway and the following year the *Quadra* formed part of the naval fleet which escorted the Duke and Duchess of Cornwall from Victoria to Vancouver. Again in 1909 she carried a Vice-Regal party when Governor General Earl Grey made the trip from Victoria to Skagway.

On February 26, 1917, the *Quadra* was in collision with the CPR steamship "Charmer" at the entrance to Nanaimo Harbour in thick fog. She was beached to avoid sinking and was later sold to Britannia Mines for carrying concentrates from Howe Sound to Tacoma, Washington. Her eventual fate was to be caught by the U.S. Coast Guard as a rum-runner in October, 1924. Subsequently she was sold at public auction for \$1,625 and broken up for scrap.

Toronto—The July 28 issue of the *Toronto Telegram* carried the following tribute to D.O.T. canals' employees in its "Outdoors" column:

"The unsung heroes of the Canadian tourist industry are the lockmasters and bridge tenders on the Trent and Rideau canals.

This is the way Dr. Carl Goldmark of New York City describes them. He and his wife, who is also a competent skipper, recently travelled from Trenton to Georgian Bay.

Their 33-foot Baltzer cabin cruiser,

Uncle Willie II, is well-known in both canals.

The incident that prompted Dr. Goldmark's praise took place where the CNR bridge crosses the Trent River just above Hastings.

He missed the buoy and wound up on the wrong side of it. The craft grounded on a rocky shoal, bending the propeller shaft.

At the time a crew of three Trent Canal workers were on a raft and barge at the bridge. They hauled the craft back to the barge, climbed into the hold and stuffed a break in the hull so thoroughly the doctor was able to reach Wallace's Marine at Gore's Landing.

'It must have been 100 degrees in that hold and the men worked like demons,' he said. But what surprised him was that they would not take money, cigarettes or even a can of cold beer. 'They insisted it was part of the service, part of their job, and refused any favors,' he said.

The skipper explained that on the Erie barge canal the lock master just push buttons and electricity does all the work, but on Ontario canals opening lock gates and swinging bridges is hard labor.

The men, without exception, are courteous, sober, hard-working and can't do too much for the boat owners.

'The funny thing about yachting is that when one enters Ontario there's a completely different attitude on the part of the canal workers,' Mrs. Goldmark added 'they're warm, friendly, hospitable and you cannot give them anything. What a difference to some we've met in our own country.' "

Vancouver—A \$10,912,685 contract was awarded early in July to Burrard Dry Dock Company of North Vancouver for construction of a weather-oceanographic ship for the Canadian Coast Guard.

The ship will be the second of its kind to be built for service in the Pacific Ocean, where they will replace existing Coast Guard ships manning weather station Papa. The other vessel is already under construction at the Burrard Shipyard.

The new ship will be of 5,350 tons displacement and will have an operational range of 8,400 miles at 14 knots. She is scheduled for completion in 1967.

St. John's, Nfld.—Tossing a bottle into the

sea with a "return to sender" message in it may not be the fastest means of communication, but it apparently does the trick if you can wait long enough.

A few weeks ago a letter was received by District Marine Agent R. E. Stone of St. John's, Newfoundland, from Miss Catherine M. Campbell, of Wilton Villa, Tobermory, Isle of Mull, Scotland. Miss Campbell had found a bottle on the beach near her home, containing a "please return" note signed by Reginald Decker, Bennett Road, St. John's, Newfoundland. She asked whether Mr. Decker could be located. The bottle had taken quite a while to reach Scotland, however. Mr. Decker had dropped it from the C.N.R.'s Newfoundland coastal vessel "Northern Ranger", on which he was then mail officer for the Post Office Department, in January of 1954.

The message was returned to Mr. Decker, who said he intended to write Miss Campbell.

Victoria, B.C.—A rare deep-sea fish was transferred to Undersea Gardens at Victoria a week and a half after it was netted in the Pacific by crewmen of the weather ship CCGS Stonetown.

The eight-inch green and white fish was caught early in August as it swam around the stern of the Stonetown, anchored some 1,000 miles west of Victoria.

It was kept alive in a hastily-constructed tank—a wooden crate lined with weather balloons.

Squids taken from the stomachs of netted pomfret fish were used as feed.

Positive identification was made by Undersea Gardens manager Bruce Champion. Apparently it is the second skilfish in captivity. Vancouver Public Aquarium acquired a foot-long specimen eight years ago which was billed as a "mystery fish" until identified.

Little is known about the skilfish. They are thought to be primarily a deep-sea resident.

One caught in 1916 at a depth of 240 fathoms (1,440 feet) measured 5 feet, 10 inches, and weighed 175 pounds. It is now preserved in the B.C. provincial museum.

Crewmen of the Stonetown regularly net fish for food, particularly the pomfret, which is considered a delicacy.

WHY THE UNITED WAY?

Every day in over 2,000 private agencies across Canada—assisted by some 2,000,000 volunteers—people are being helped toward fuller and more useful lives because of support for the United Community Fund.

A VON nurse calls on an elderly, bed-ridden man to give him special personal care which he needs but cannot afford.

A Visiting Homemaker comes in every day to help a mother whose husband has left her with a large family to care for.

A Red Cross volunteer spends 14 hours at an emergency blood donor clinic to help badly depleted supplies.

A Family Service Bureau social worker talks to a young father, scarcely out of his teens, frightened, and unable to accept the responsibility of a fast-growing family.

A John Howard Society caseworker counsels a middle-aged man, just out of prison, to help him cope with ugly and unexpected problems that he is meeting in his new job.

A YWCA camp counsellor helps a lonely and rejected child toward new confidence in herself by helping her to develop first some simple camping skills, then a growing sense of importance in her camp group.

A 4-year-old boy, after a crippling illness, walks again because a rehabilitation agency has provided him with a costly therapeutic brace, far beyond the means of his family.

And so it goes, in 120 communities, in nine out of 10 Canadian provinces.

Why must all these essential services be supported the united way, and not simply by giving out donations directly to the agencies in which we are interested?

First of all, finance campaigns are expensive to run. It has been estimated that costs of single, separate appeals can run as high as 25 per cent of contributions received. On the other hand, the cost of conducting a United Community Fund campaign averages as low as 4 per cent. So your agency actually receives more of the money you contribute when through the united campaign.

Consider, too, the drain on agency staff, both physically and psychologically, when they must spend their time raising money—money that is necessary for their very existence.

These people, highly skilled in their professions, should be given every moment to care for the sick, the retarded, the physically handicapped, the elderly. The united campaign frees professional staff for their most important work—with people.

The united way of giving frees you, the giver, too, from a multiplicity of appeals. When each agency in a community canvasses separately, the citizen is often dazed, confused, exasperated. He has difficulty budgeting how much he can give; he forgets how much he has already given and to whom; in the end he may refuse, in his impatience, a perfectly legitimate request because it has followed too closely on another.

CAPITAL FUNDS

Of course in some cities and towns there are still a number of separate appeals—and there always will be. Some of these are for capital funds that an agency might need for renovations or replacement of buildings and equipment.

In addition, some campaigns are still conducted separately by agencies that have not or will not join the United Community Fund. In the latter case, the ultimate decision about whether there will be many appeals or one rests with you, the contributor, and the community in which you live.

None of us can help but be impressed by the extent of the need for community-supported welfare services today; we have only to look, down the varied list of health, welfare and character-building agencies that are members of Canadian chests and united funds. And when we consider the advantages of united giving not only to these agencies but also to us, we can surely see that no better way of financing community services has yet been found.



*Canadian
Coast
Guard*
ALBUM

CCGS WOLFE

This Canadian Coast Guard icebreaker, completed at the yard of Canadian Vickers Ltd., Montreal, Que., in November of 1959, has seen extensive service in the Eastern Arctic and in the Lower St. Lawrence River and Gulf of St. Lawrence.

LENGTH: 220 feet

BREADTH: 48 feet

DRAFT: 16 feet, 4 inches

POWER: Steam; two Skinner Uniflow engines each developing 2,000 I.H.P. Twin screw.

GROSS TONNAGE: 2,022